



Department of Planning, Building and Code Enforcement  
801 North First Street, Room 400  
San José, California 95110-1795

Hearing Date/Agenda Number:  
P.C. 5/20/02 Item: c.1 & c.2

File Number:  
GP01-03-12/GPT01-03-12

Council District and SNI Area:  
3 – Five Wounds/Brookwood Terrace

Major Thoroughfares Map Number:  
67

Assessor's Parcel Number(s):  
Various

Project Manager: Lesley Xavier

## GENERAL PLAN REPORT

### 2002 Spring Hearing

#### PROJECT DESCRIPTION:

General Plan amendment request to change the Land Use/Transportation Diagram from Heavy Industrial on 19.4 acres and General Commercial on 0.6 acres to Mixed Use with No Underlying Land Use Designation [Transit Corridor Residential (20+ DU/AC); General Commercial; Public Park/Open Space; and Public/Quasi-Public] on 20 acres and an associated Text amendment to reflect the proposed land use change in Appendix F: Mixed Use Inventory.

**LOCATION:** Area generally bounded by E. Julian Street, U.S. Highway 101, E. Santa Clara Street, and N. 27<sup>th</sup> Street

**ACREAGE:** 20

#### APPLICANT/OWNER:

Staff/Various

#### GENERAL PLAN LAND USE / TRANSPORTATION DIAGRAM DESIGNATION:

Existing Designation: Heavy Industrial with Mixed Industrial Overlay; General Commercial

Proposed Designation: Mixed Use with No Underlying Land Use Designation

**EXISTING ZONING DISTRICT(S):** HI – Heavy Industrial; CG – Commercial General

#### SURROUNDING LAND USES AND GENERAL PLAN DESIGNATION(S):

North: Industrial buildings; Multi-Family homes – Light Industrial with Mixed Industrial Overlay; Medium Low Density Residential (8 DU/AC)

South: Church; School; Commercial/Retail buildings – Public/Quasi-Public; General Commercial; Transit Corridor Residential (20+ DU/AC)

East: U.S. Highway 101 – Medium Low Density Residential (8 DU/AC)

West: Auto Body uses; Single-Family homes – Light Industrial with Mixed Industrial Overlay

#### ENVIRONMENTAL REVIEW STATUS:

Housing Opportunity Study Phase II Environmental Impact Report (EIR) pending

#### PLANNING STAFF RECOMMENDATION:

Mixed Use with No Underlying Land Use Designation [Transit Corridor Residential (20+ DU/AC); General Commercial; Public Park/Open Space; and Public/Quasi-Public] and reflect the proposed land use change in Appendix F: Mixed Use Inventory.

Approved by:  
Date:

#### PLANNING COMMISSION RECOMMENDATION:

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**CITY COUNCIL ACTION:**

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**CITY DEPARTMENT AND PUBLIC AGENCY COMMENTS RECEIVED:**

- Parks and Recreation Commission – Residential densities will be increased significantly in this area with only 2 acres of new parkland. The SNI Plan will need to consider providing more neighborhood serving parkland to further meet the City's basic service level target of 3.5 acres per 1,000 population.

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**GENERAL CORRESPONDENCE:**

- None received.

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**ANALYSIS AND RECOMMENDATIONS:**

**PROJECT DESCRIPTION**

This is a staff initiated General Plan amendment to change the Land Use/Transportation Diagram designation from Heavy Industrial with Mixed Industrial Overlay on 19.4 acres and General Commercial on 0.6 acres to Mixed Use with No Underlying Land Use Designation on a 20-acre site generally bounded by E. Julian Street, U.S. Highway 101, E. Santa Clara Street, and N. 27<sup>th</sup> Street. The subject site is commonly known as San Jose Steel. The requested land use designation would allow between 700 and 1,650 dwelling units, 70,000 to 1,350,000 square feet of commercial space, and a minimum of 4.5 acres of parkland. Staff is initiating this amendment as a part of the Housing Opportunity Study Phase II in order to secure additional infill housing sites near public transit facilities.



Looking towards the north along N. 30<sup>th</sup> Street at the Monarch Truck Center, the eastern boundary of the amendment site.

**BACKGROUND**

**Site and Surrounding Uses**

The amendment site is generally bounded by E. Julian Street, U.S. Highway 101, E. Santa Clara Street, and N. 27<sup>th</sup> Street. The site currently consists of a few single-family homes and a variety of non-residential uses, including:

- |                                 |                                   |
|---------------------------------|-----------------------------------|
| ▪ Offices                       | ▪ Union Pacific Railroad tracks   |
| ▪ McDonald's                    | ▪ Monarch Truck Rentals           |
| ▪ Portuguese Band of San Jose   | ▪ Monarch Truck Center            |
| ▪ Metacrylics Roofing Materials | ▪ Monarch Truck Body Shop/CAT     |
| ▪ Instant Asphalt               | ▪ Mission Concrete Products       |
| ▪ S&S Drywall                   | ▪ SCS Security Contractor Service |
| ▪ A&E Transport                 | ▪ Granite Counters                |
| ▪ Gray's Muffler Service        |                                   |

Uses surrounding the site include U.S. Highway 101 to the east, the Five Wounds Church and school and commercial/retail uses to the south, small auto body uses and single-family homes to the west, and multi-family and light industrial uses to the north. General Plan land use designations surrounding the site include Medium Density Residential (8-16 DU/AC) and Light Industrial to the north; Medium Density Residential (8-16 DU/AC) to the east on the opposite side U.S. Highway 101; Public/Quasi-Public, Transit Corridor Residential, and General Commercial to the south; and Light Industrial to the west. All of the industrial lands have the Mixed Industrial Overlay.

### **Housing Opportunity Study**

This staff-initiated General Plan amendment is a result of the Phase II Housing Opportunity Study (HOS). The City Council deferred this amendment from the 2001 Annual Review to allow for completion of an Environmental Impact Report.

In January 2000, the City Council directed Planning staff to conduct the Housing Opportunity Study (HOS). The Housing Opportunity Study is modeled on the successful Housing Initiative Study that was completed for the Guadalupe Light Rail Transit Corridor in April 1991. The Housing Opportunity Study is a proactive approach to facilitate increased housing production, support transit with appropriate development intensities, and further the City's longstanding policy of infill development. The HOS seeks to identify specific vacant or underutilized parcels, particularly within or near Transit-Oriented Development Corridors, which would be suitable for higher density or mixed-use development. These Corridors include the Guadalupe, Stevens Creek Boulevard/West San Carlos Street, Santa Clara Street/Alum Rock Avenue, Winchester Boulevard, Capitol Avenue/Expressway, and Vasona.

The identification of sites suitable for higher density housing is consistent with the General Plan Housing Major Strategy, which acknowledges the City's role in providing housing opportunities to meet the needs of all residents. Additionally, targeting sites for infill development is consistent with the Growth Management and Sustainable City Major Strategies, which seek to locate housing in appropriate areas to foster transit use and provide for the efficient delivery of urban services.

The HOS has three phases, with each phase evaluating different Transit Oriented Development Corridors. The first phase, which focused on the Capitol Avenue/Expressway Transit-Oriented Development Corridor, was completed in 2001. Phase II of the Housing Opportunity Study is focused on the Stevens Creek Boulevard/West San Carlos Street and Santa Clara Street/Alum Rock Avenue Transit-Oriented Development Corridors. This General Plan amendment is one of five proposed amendments on the Santa Clara Street/Alum Rock Avenue TOD Corridor. Phase III will focus on the five remaining Transit-Oriented Development Corridors and other primary transit routes to secure additional infill housing sites.

### **Downtown/East Valley Light Rail Line**

The Santa Clara Street/Alum Rock Avenue TOD Corridor includes a planned light rail line, Downtown/East Valley, that will link the Diridon Station in Downtown to the Alum Rock Station on the Capitol Light Rail Transit (LRT) line and continue south along Capitol Expressway to Evergreen. The Downtown/East Valley Light Rail Project is currently in the conceptual engineering and environmental review stages of the process. Station locations are also beginning to be identified. The project is anticipated to begin construction in 2004/2005 and be completed by 2007/2008.

## **BART Extension**

This amendment site is located within the project area of the BART Extension to Milpitas, San Jose, and Santa Clara. In November 2001, the Santa Clara Valley Transportation Authority (VTA) Board of Directors approved Alternative #11 – BART on Union Pacific Alignment, now known as the BART extension to Milpitas, San Jose, and Santa Clara, as the Preferred Investment Strategy for the Silicon Valley Rapid Transit Corridor. This decision was the result of a Major Investment Study (MIS) conducted by the VTA that evaluated transportation alternatives for the Silicon Valley Rapid Transit Corridor.

Alternative #11 is an approximate 16.2-mile extension of the BART system that would run from the planned Warm Springs BART Station in Fremont along the Union Pacific Railroad alignment to 28<sup>th</sup>/Santa Clara Streets in San Jose (at the subject amendment site). The extension would then proceed under Downtown San Jose and terminate at the Santa Clara CalTrain Station. There are various stations and alignment options for the BART extension that are still being considered. The current project schedule calls for an approved project description to be completed by June 2002.

The environmental review process is now moving forward for this project. A joint Environmental Impact Statement (EIS)/Environmental Impact Report (EIR) is being prepared to identify short-term impacts related to project construction and long-term issues of the completed project. A joint document is being prepared because under the National Environmental Policy Act (NEPA) an EIS is required and under the California Environmental Quality Act (CEQA) an EIR is required.

## **Five Wounds/Brookwood Terrace SNI Area**

The amendment site is located within the Five Wounds/Brookwood Terrace Strong Neighborhoods Initiative (SNI) area. The Five Wounds/Brookwood Terrace area is bounded by Highway 280 to the south, Highway 101 to the east, and Coyote Creek to the west and north. The area is primarily residential with a mixture of single-family homes, multi-family dwellings, light industrial uses, and small commercial businesses. There are three significant commercial streets in this SNI area along East Santa Clara, Julian and 24th. The area also contains some major open space features in local parks along the Coyote Creek.

The intent of the Five Wounds/Brookwood Terrace Neighborhood Improvement Plan is to describe the community's vision for the area, and to set forth recommended policies and actions for realizing the vision. The recommended policies and actions focus on the enhancement of existing neighborhoods, as well as the positive transformation of underutilized lands such as vacant lots and declining industrial areas.

The draft SNI plan for the area considers the amendment site for mixed use development in varying heights of five to eight stories with taller office and hotel buildings located close to U.S. Highway 101. The Plan also includes a BART parking structure near Julian Street, a linear park along the Union Pacific Railroad right-of-way with storefronts facing the open space, a centrally located town square, high density residential, civic, and office uses.

## **ANALYSIS**

### **Policy Consistency/Land Use Compatibility**

The amendment site is located within the Santa Clara Street/Alum Rock Avenue Transit-Oriented Development (TOD) corridor, one



of six TOD corridors identified in the City's General Plan. The TOD corridors are generally suitable for higher residential densities, more intensive non-residential uses, and mixed-use development. These corridors are centered along existing or planned light rail transit lines and/or major bus routes.

The proposed change to the Land Use/Transportation Diagram from Heavy Industrial and General Commercial to Mixed Use with No Underlying Land Use Designation [Transit Corridor Residential (20+ DU/AC); General Commercial; Public Park/Open Space; and Public/Quasi-Public] is compatible with surrounding land uses and consistent with the intent of the TOD corridor. The Downtown/East Valley Light Rail Project and the BART extension are both expected to have stations on or near the amendment site. The proposed land use designation provides an opportunity to integrate uses and intensify land uses in this appropriate location.

Looking south along N. 28<sup>th</sup> Street. Five Wounds Church in the background.

The Transit Corridor Residential (20+ DU/AC) portion of the proposed designation allows wholly residential projects or projects with commercial uses at street level in conjunction with higher density uses on upper floors. Site specific densities, design, and uses would be determined at the zoning stage based on compatibility with surrounding land uses and conformance with General Plan policies and the SNI Plan. However, given the site's partial location within the TOD Corridor and Neighborhood Business District Overlay along Santa Clara Street, new development would need to conform to both the underlying land use and the overlay designations. These designations facilitate pedestrian-oriented development that includes a component of ground floor retail that maintains a street presence as well as a minimum of 20 dwelling units per acre.



Looking south along N. 27th Street.

The proposed land use change is consistent with the Five Wounds/Brookwood Terrace Neighborhood Improvement Plan. The proposed Mixed Use with No Underlying Land Use designation [Transit Corridor Residential (20+ DU/AC); General Commercial; Public Park/Open Space; and Public/Quasi-Public] would allow for the type of development that is intended by the Neighborhood Improvement Plan, which includes: housing opportunities, neighborhood serving retail, services, parks, schools, office buildings and hotels. The SNI Plan also contains guiding principles and development regulations to ensure a transit and pedestrian friendly design. These elements of the SNI Plan would need to be followed at the development stage.

### Citywide Policy Issues

The San Jose 2020 General Plan has seven Major Strategies that identify the principal objectives of the Plan. Of those seven, this amendment directly relates to three of them including Growth Management, Housing, and Sustainable City. The proposed amendment is supportive of the Growth Management Major Strategy that seeks to find the balance between the need to house new population and the need to balance the City's budget, while providing acceptable levels of service. The amendment site is located within an already urbanized area where urban facilities and services are generally already available. Infill development on this site supports the intent of the Growth Management Major Strategy. The proposed amendment is also supportive of the Housing Major Strategy that seeks to maximize the housing opportunities on infill parcels already served by the City. A change in the land use designation that includes a high density residential designation would allow for more housing units on this infill site. The Sustainable City Major Strategy seeks to reduce traffic congestion, pollution, wastefulness, and environmental degradation of our living environment.

The amendment site is located within the central area of the City and within close proximity to existing bus transit. The Santa Clara/Alum Rock corridor is the location of the Downtown/East Valley Light Rail Transit Line, which is planned and funded, connecting East Valley to Downtown San Jose. The site is also a possible future station location for the extension of BART to Downtown San Jose. Locating development in already urbanized areas and around transit contributes to sustainability by shortening trip lengths and providing for the availability of different modes of transportation such as public transit, biking, and walking. This in turn helps to conserve energy and improve air quality.

Approval of the proposed land use amendment would result in the loss of approximately 20 acres of Heavy Industrial lands. If this amendment is approved, some Light Industrial lands would remain north of Julian Street and west of 27<sup>th</sup> Street. These industrial lands also have the Mixed Industrial Overlay designation. A recent report has indicated that over the past 20 years, San Jose has lost 32% of its light and heavy industrial lands, resulting in a decline in low and medium skilled job opportunities. Through recent efforts to preserve the industrial land inventory, the City has over 2,000 acres of Heavy Industrial and 1,200 acres of Light Industrial lands strictly for those uses. Heavy industrial lands should be located in appropriate places such as near major access points, industrial suppliers and other heavy industrial uses. The existing Heavy Industrial designation in this area may no longer be appropriate given the area's changing character and the significant transit investment anticipated in the vicinity.

The proposed amendment includes significant opportunities for job-generating commercial uses by allowing between 70,000 and 1.3 million square feet of commercial space. These could include office and retail establishments, but not big box retail or automobile-related uses (e.g., sales or repair). Although serving different sectors of the San Jose economy than heavy industrial activities, these commercial jobs do support the General Plan's Economic Development Major Strategy.

As with any General Plan amendment, existing uses are allowed to stay in the area. At the time a property owner is interested in making a change or major investment, then the current General Plan designations would guide development and its intensity.

## **Environmental Issues**

The Housing Opportunity Study Phase II Environmental Impact Report (EIR) was prepared in conformance with the California Environmental Quality Act (CEQA). The EIR provides program level environmental review appropriate for the adoption of amendments to the San Jose 2020 General Plan. The EIR analyzed impacts and proposed mitigation measures, where possible, on the following items:

- |                  |                       |             |
|------------------|-----------------------|-------------|
| ▪ land use       | ▪ hazardous materials | ▪ biology   |
| ▪ transportation | ▪ geology and soils   | ▪ utilities |
| ▪ air quality    | ▪ hydrology           | ▪ energy    |
| ▪ noise          | ▪ cultural resources  |             |

The EIR identified two significant and unavoidable impacts including transportation and air quality for the HOS sites. An additional third significant and unavoidable noise impact was also identified for GP01-03-12.

The General Plan has many policies that can mitigate the noise, transportation, and air quality impacts. The existing noise levels along the eastern boundary of the GP01-03-12 site presently exceed levels considered acceptable for residential development. It may be possible to achieve an acceptable noise level through construction of a sound wall and appropriate siting and design. The absence of a specific development

proposal to mitigate noise impacts causes this site to have a significant unavoidable impact. Should any of the HOS sites develop prior to completion of the transit lines planned for the Santa Clara Street/Alum Rock Avenue and Stevens Creek Boulevard/West San Carlos Street TOD Corridors, the proposed land use changes would result in significant unavoidable long term traffic impacts.

Air quality is considered a significant unavoidable impact because the project proposes additional residential units that are not reflected in the Bay Area Air Quality Management District (BAAQMD) regional Clean Air Plan. The inclusion of identified mitigation measures would reduce the impacts on regional air quality, but because the proposed General Plan amendments would add population not already reflected in the regional Clean Air Plan, the air quality impacts of their approval would still be considered a significant impact.

## **PUBLIC OUTREACH**

The property owners within the amendment site boundaries and/or property owners within a 1000-foot radius of the amendment site were sent a newsletter regarding the three community meetings that were held on April 10<sup>th</sup>, 16<sup>th</sup>, and 18<sup>th</sup> 2002. They also received a public hearing notice regarding the public hearings to be held on the subject amendment before the Planning Commission in May and City Council in June. In addition, the community can be kept informed about the status of amendments on the Department's web-site, which contains information on the General Plan process, each proposed amendment, staff reports, and hearing schedule.

During the community meetings, community members were concerned that,

- There are not adequate services such as parks and schools to support new residents.
- The City's tax base is inadequate and we need the industrial land uses for taxes as well as jobs.
- The proposal would generate too much traffic.
- The Alum Rock corridor is not suitable for high density residential.

Staff also participated in the Five Wounds/Brookwood Terrace Strong Neighborhood Initiative Neighborhood Action Coalition meetings to ensure that the proposed amendment reflected the direction of the community.

## **RECOMMENDATION**

Planning staff recommends Mixed Use with No Underlying Land Use Designation [Transit Corridor Residential (20+ DU/AC); General Commercial; Public Park/Open Space; and Public/Quasi-Public] and associated changes in Appendix F: Mixed Use Inventory.

## Attachments

PBCE002/GP\_Team/2002 Annual Review/Staff Reports/Spring Review/GP01-03-12.doc



## Proposed Text Amendment

Amend Appendix F: Mixed Use Inventory to add introductory language, as follows:

The following inventory of mixed use designations must comply with the Mixed Use with No Underlying Land Use Designation criteria that includes:

- A minimum of two uses must be combined to use this designation with no use occupying less than 10% of the site area or less than 10% of the total building square footage proposed.
- The uses to be combined must be described in terms consistent with the Land Use/Transportation Diagram designations.
- The uses and intensity ranges allowed for sites with this designation are listed below.

Amend Appendix F: Mixed Use Inventory, as follows:

Map Reference Number	Location	Amendment File Number	Use Mix	Use Intensity Range <sup>1</sup>
MU#16  (All development in this area should follow the guiding principles and development regulations contained in the <i>Five Wounds/Brookwood Terrace Neighborhood Improvement Plan.</i> )	Properties generally bounded by E. Julian Street, U.S. Highway 101, E. Santa Clara Street, and N. 27 <sup>th</sup> Street.	GP01-03-12/ GPT01-03-12	Transit Corridor Residential (20+ DU/AC)  General Commercial  Public Park/Open Space  Public/Quasi-Public	700-1,650 dwelling units  70,000-1,350,000 sq.ft.  Minimum 4.5 acres  0-10 acres

<sup>1</sup> Any numbers in parentheses represent the greatest allowable intensity in that use category when any other category in the combinations to be developed at the top of its range. Parenthetical intensities may be increased commensurate with decreases from top of the range intensities in other categories.